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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

NAHUM RAND,  
  
Plaintiff,  
  
vs.

Case No.: 2:15-cv-01510-RFB-GWF

MICHAEL PATSALOS-FOX; PAUL  
BARTLETT; MICHAEL PATTERSON; TIM  
CONNOR; RHO VENTURES; VEDANTA  
CAPITAL LP; SEQUEL VENTURE  
PARTNERS; INFONOW CORPORATION dba  
CHANNELINSIGHT; DOES I through X,  
inclusive; and ROE CORPORATIONS I through  
X, inclusive,  
  
Defendants.

**JOINT STIPULATION AND ORDER TO  
TRANSFER CASE TO THE DISTRICT  
OF COLORADO PURSUANT TO 28  
U.S.C. §1404**

Plaintiff Nahum Rand and Defendants Michael Patsalos-Fox, Michael Patterson, Vedanta Capital, LP and Paul Bartlett jointly submit their stipulated motion to transfer this case to the District of Colorado pursuant to 28 U.S.C. §1404(a).<sup>1</sup> In furtherance of their joint stipulated motion, the parties state as follows:

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<sup>1</sup> As of the date of this motion, these are the only defendants that have been served with process. As mentioned in previous filings by defendants, Rho Ventures and Sequel Venture Partners are trade names, and Defendant(s) assert they are not legal entities capable of being sued but, to the extent necessary they consent to the requested transfer of venue. Defendant Tim Connor has not been served but, to the extent necessary, consents to this motion as Mr. Connor is a resident of Colorado. (See First Am. Compl. ¶ 6).

1           **I. BACKGROUND**

2           1. Plaintiff Nahum Rand is a stockholder in Defendant InfoNow Corporation, a  
3 Colorado-based business. Defendants Michael Patsalos-Fox, Michael Patterson, and Paul  
4 Bartlett are directors of InfoNow and representatives of Defendants Vedanta Capital, LP, Rho  
5 Ventures and Sequel Venture Partners.

6           2. In sum, Plaintiff alleges that Defendants breached their fiduciary duties to  
7 Plaintiff in connection with InfoNow’s Series D financing. Defendants deny Plaintiff’s  
8 allegations.

9           3. In discussions between counsel concerning the First Amended Complaint,  
10 Defendants’ counsel advised Plaintiff’s counsel that Defendants intended to move to dismiss the  
11 First Amended Complaint as to all Defendants (other than InfoNow) for lack of personal  
12 jurisdiction in Nevada.<sup>2</sup>

13           4. Following this discussion, the parties decided that to cure any jurisdictional  
14 defects and to avoid costly motions practice on personal jurisdiction, the parties would stipulate  
15 and consent to a transfer to the District of Colorado under 28 U.S.C. §1404(a).

16           **II. LEGAL ANALYSIS**

17           5. Section 1404(a) states: “[f]or the convenience of parties and witnesses, in the  
18 interests of justice, a district court may transfer any civil action to any other district or division  
19 where it may have been brought or to any district or division to which all parties have  
20 consented.”

21           6. Here, not only have the parties consented to the action being transferred to the  
22 District of Colorado, but Plaintiff could have brought this action in Colorado. Venue is proper in  
23 Colorado, inasmuch as InfoNow is a Colorado-based company and the some of the acts giving to  
24 rise to Plaintiff’s claims occurred in Colorado. *See* 28 U.S.C. §1391(b)(2). Similarly, personal

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26 <sup>2</sup> In addition to a motion to dismiss for lack of personal jurisdiction, Defendants also intend to move to  
27 dismiss the First Amended Complaint for failure to state a claim under Fed. R. Civ. P. 12(b)(6).  
28 Defendants believe that motion should be filed in and decided by the District of Colorado, following the  
29 transfer of this case.

1 jurisdiction in Colorado is proper over InfoNow and Defendant Connor, both of whom are  
2 citizens of Colorado. The remaining Defendants consent to personal jurisdiction in Colorado and  
3 they most likely would be subject to personal jurisdiction in Colorado in any event, as they are  
4 directors of a Colorado-based corporation and have connections with Colorado in their capacity  
5 of directors.

6 7. A transfer under section 1404(a) would be convenient not only for the parties (as  
7 it eliminates jurisdictional problems), but would be equally convenient for witnesses (none of  
8 whom other than Plaintiff are likely located in Nevada) and equally convenient for matters like  
9 access to relevant sources of proof (most of which is located outside Nevada). Certainly, a  
10 transfer to Colorado would not be any less convenient than litigating in Nevada and would not  
11 create any issues that the parties would not also face if the case remained in Nevada.

12 8. A transfer to Colorado serves the interests of justice in that it gives effect to the  
13 parties' desire to have the mater litigated there, and saves judicial resources by not burdening the  
14 court with lengthy jurisdictional motions that will be avoided with a transfer to Colorado.

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WHEREFORE, for the foregoing reasons, the parties respectfully request that the court grant their joint stipulate motion and transfer this case to the District of Colorado.

IT IS SO STIPULATED

Dated this 31st day of August, 2015.

Dated this 31st day of August, 2015.

**SMITH BYERS LLC**

**SPRINGEL & FINK LLP**

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Dated this 31st day of August, 2015.


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**ORDER**

IT IS SO ORDERED this 10th day of September, 2015.

Respectfully submitted by:  
  
MARQUIS AURBACH COFFING

  
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RICHARD F. BOULWARE, II  
United States District Judge

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